State of Arizona House of Representatives Forty-sixth Legislature Second Regular Session 2004

CHAPTER 301

HOUSE BILL 2616

AN ACT

AMENDING SECTIONS 3-102, 3-107, 3-109.02, 3-143, 3-145, 3-148, 3-201, 3-201.01, 3-223, 3-235, 3-237, 3-242, 3-365, 3-367, 3-481, 3-605, 3-624, 3-701, 3-715, 3-716, 3-718, 3-723, 3-901, 3-904, 3-909, 3-1337, 3-1721, 3-2695, 3-2905, 3-2907, 3-3110, 3-3112 AND 3-3114, ARIZONA REVISED STATUTES; AMENDING SECTION 3-1332, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2003, CHAPTER 188, SECTION 3; AMENDING SECTION 3-1346, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2002, CHAPTER 270, SECTION 9; REPEALING SECTION 3-1346, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2002, CHAPTER 270, SECTION 10; REPEALING SECTIONS 3-369, 3-1743 THROUGH 3-1748 AND 3-3116, ARIZONA REVISED STATUTES; REPEALING SECTION 3-1203, ARIZONA REVISED STATUTES, AS AMENDED BY LAWS 2002, CHAPTER 270, SECTION 2; AMENDING SECTION 36-897.01, ARIZONA REVISED STATUTES; RELATING TO AGRICULTURAL REGULATION.

(TEXT OF BILL BEGINS ON NEXT PAGE)

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 Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 3-102, Arizona Revised Statutes, is amended to read:

3-102. Department organization

- A. The Arizona department of agriculture is established consisting of the following divisions:
- 1. The animal services division, which is responsible for milk, dairy, livestock and aquaculture regulation, the state veterinarian, meat, poultry and egg inspection and performing the administrative functions authorized or contracted pursuant to law for the Arizona beef council.
- 2. The plant industries SERVICES division, which is responsible for the fruit and vegetable standardization program, AND entomological services and native plant protection.
- 3. The environmental services division, which is responsible for regulating seed, feed and agricultural chemicals, including pesticides and fertilizers, AND FOR NATIVE PLANT PROTECTION.
- B. The following are established in addition to and separate from the divisions of the department:
 - 1. A state agricultural laboratory.
 - 2. An office of agriculture safety.
 - 3. An office of inspections.
 - 4. An office of commodity development and promotion.
- C. The department shall have a central administrative service office providing:
- 1. Data processing, accounting and budgeting, records management, publications, property control and personnel services and training.
- 2. A program to cross-train appropriate personnel to enable them to perform similar functions or comparable work for different administrative units in the department.
 - Sec. 2. Section 3-107, Arizona Revised Statutes, is amended to read:
 - 3-107. <u>Organizational and administrative powers and duties of</u> the director
 - A. The director shall:
- 1. Formulate the program and policies of the department and adopt administrative rules to effect its program and policies.
- 2. Ensure coordination and cooperation in the department in order to achieve a unified policy of administering and executing its responsibilities.
- 3. Subject to section 35-149, accept, expend and account for gifts, grants, devises and other contributions of money or property from any public or private source, including the federal government. All contributions shall be included in the annual report under paragraph 6 of this subsection. Monies received under this paragraph shall be deposited, pursuant to sections 35-146 and 35-147, in special funds for the purpose specified, which are exempt from section 35-190 relating to lapsing of appropriations.

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- 4. Contract and enter into interagency and intergovernmental agreements pursuant to title 11, chapter 7, article 3 with any private party or public agency.
- 5. Administer oaths to witnesses and issue and direct the service of subpoenas requiring witnesses to attend and testify at or requiring the production of evidence in hearings, investigations and other proceedings.
- 6. Not later than September 30 each year issue a report to the governor and the legislature of the department's activities during the preceding fiscal year. The report may recommend statutory changes to improve the department's ability to achieve the purposes and policies established by law. THE DIRECTOR SHALL PROVIDE A COPY OF THE REPORT TO THE ARIZONA STATE LIBRARY, ARCHIVES AND PUBLIC RECORDS.
- 7. Establish, equip and maintain a central office in Phoenix and field offices as the director deems necessary.
- 8. Sign all vouchers to expend money under this title, which shall be paid as other claims against this state out of the appropriations to the department.
- 9. Coordinate agricultural education efforts to foster an understanding of Arizona agriculture and to promote a more efficient cooperation and understanding among agricultural educators, producers, dealers, buyers, mass media and the consuming public to stimulate the production, consumption and marketing of Arizona agricultural products.
- 10. Employ staff and terminate employment for cause as provided by title 41, chapter 4, article 5.
- 11. Conduct hearings on appeals of the portion of plow-up refunds withheld as a penalty pursuant to criteria adopted pursuant to section 3-1087, subsection B. The director may adopt rules to implement this paragraph.
- 12. Cooperate with the Arizona-Mexico commission in the governor's office and with researchers at universities in this state to collect data and conduct projects in the United States and Mexico on issues that are within the scope of the department's duties and that relate to quality of life, trade and economic development in this state in a manner that will help the Arizona-Mexico commission to assess and enhance the economic competitiveness of this state and of the Arizona-Mexico region.
 - B. The director may:
- 1. Authorize in writing any qualified officer or employee in the department to perform any act that the director is authorized or required to do by law.
- 2. Construct and operate border inspection stations or other necessary facilities in this state and cooperate by joint agreement with an adjoining state in constructing and operating border inspection stations or other facilities within the boundaries of this state or of the adjoining state.
- 3. Cooperate with agencies of the United States. AND other states and other agencies of this state and enter into agreements in developing and

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administering state and federal agricultural programs regarding the use of department officers, inspectors or other resources in this state, in other states or in other countries.

- 4. Cooperate with the office of tourism in distributing Arizona tourist information.
- 5. ENTER INTO COMPLIANCE AGREEMENTS WITH ANY PERSON, STATE OR FOR THE PURPOSES OF THIS PARAGRAPH, "COMPLIANCE REGULATORY AGENCY. AGREEMENT" MEANS ANY WRITTEN AGREEMENT OR PERMIT BETWEEN A PERSON AND THE DEPARTMENT FOR THE PURPOSE OF ENFORCING THE DEPARTMENT'S REQUIREMENTS.
- 5. 6. Abate, suppress, control, regulate, seize, quarantine or destroy any agricultural product or foodstuff that is adulterated or contaminated as the result of an accident at a commercial nuclear generating station as defined in section 26-301, paragraph 1. A person owning an agricultural product or foodstuff which THAT has been subject to this paragraph may request a hearing pursuant to title 41, chapter 6, article 10.
- Engage in joint venture activities with businesses and 6. 7. commodity groups that are specifically designed to further the mission of the department, that comply with the constitution and laws of the United States and that do not compete with private enterprise.
- 7. 8. Sell, exchange or otherwise dispose of personal property labeled with the "Arizona grown" trademark. Revenues received pursuant to this paragraph shall be credited to the commodity promotion fund established by section 3-109.02.
- Sec. 3. Section 3-109.02, Arizona Revised Statutes, is amended to read:

Office of commodity development and promotion; fees: 3-109.02. commodity promotion fund; definition

- A. The office of commodity development and promotion shall provide for programs to stimulate, educate, encourage and foster the production and consumption of Arizona agricultural products domestically and abroad.
- The office may provide authorized or contracted administrative functions for councils and commissions established by law.
- C. The director may collect a fee, which the director shall establish by rule, for the issuance of certificates of free sale. The amount of the fee shall not exceed the actual cost of preparing the certificate of free sale. All monies collected from the fees shall be deposited, pursuant to sections 35-146 and 35-147, in the commodity promotion fund.
- D. The commodity promotion fund is established. The fund consists of all monies collected pursuant to any promotional service provided to industry under this section and not supported by general fund appropriation, and monies received pursuant to section 3-107, subsection 8, paragraph 7-8. The director shall administer the fund. On notice from the director, the state treasurer shall invest and divest monies in the fund as provided by section 35-313, and monies earned from investment shall be credited to the fund. Monies in the fund are:

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- 1. Continuously appropriated to the department for the purposes of this section.
- 2. Exempt from the provisions of section 35-190 relating to lapsing of appropriations.
- E. For the purposes of this section, "certificate of free sale" means a document that authenticates a commodity that is generally and freely sold in domestic channels of trade.
 - Sec. 4. Section 3-143, Arizona Revised Statutes, is amended to read: 3-143. <u>Assistant director: powers and duties</u>
- A. The assistant director for the state agricultural laboratory is responsible for the administration, operation and control of the state agricultural laboratory.
 - B. The assistant director shall have all the following qualifications:
- 1. A master's degree in chemistry or its equivalent in practical experience as determined by the commission DIRECTOR.
- 2. Experience in agricultural laboratory testing or experience in a control laboratory of an agency that regulates feeds, fertilizers or pesticides.
 - 3. Supervisory experience.
- C. The assistant director shall enforce rules established pursuant to section 3-147:
- 1. For the voluntary certification of laboratories providing agricultural laboratory services to persons of this state.
- 2. For the mandatory certification of laboratories providing agricultural laboratory services to agencies and departments of this state or its political subdivisions, including those laboratories that are a part of a state agency or department, or a political subdivision of the THIS state.
- 3. Prescribing testing, documentation and quality assurance procedures and requirements.
- D. The assistant director may contract with and assist other divisions and offices in the department and other departments and agencies of the state, local and federal governments in the furtherance of the purposes of this article, including contracting to provide laboratory services.
 - Sec. 5. Section 3-145, Arizona Revised Statutes, is amended to read: 3-145. Mandatory and voluntary certification: sampling

procedures; application; expiration; renewal

A. A person who establishes, conducts or maintains a laboratory that provides agricultural laboratory services to agencies or departments of this state or its political subdivisions shall apply for a certificate from the state agricultural laboratory as proof that the laboratory so certified is in compliance with rules adopted by the director for the certification of such laboratories. Any other person providing agricultural laboratory services may apply for such a certificate.

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- B. A person providing guaranteed laboratory analysis information to distributors of commercial feed and whole seeds for consumption by livestock shall be certified under this section.
- C. An individual who collects samples for the state agricultural laboratory or for any certified agricultural laboratory shall follow the sampling procedures established by the state agricultural laboratory DIRECTOR.
- D. A certified laboratory shall report test results only to the party who provided the original sample and, on request, to the state agricultural laboratory or as required by section 3-2611.01.
- E. A person who desires a certificate pursuant to this section shall file with the state agricultural laboratory an application for a certificate accompanied by the application fee.
- F. The application shall be on a form prescribed by the assistant director and furnished by the state agricultural laboratory and shall contain:
 - 1. The name and location of the laboratory.
- 2. The name of the person owning the laboratory and the name of the person supervising the laboratory.
- 3. A description of the programs, services and functions provided by the laboratory.
- 4. Such other information as the assistant director deems necessary to carry out the purposes of this section.
- G. The assistant director shall issue a certificate to an applicant if the assistant director is satisfied that the applicant has complied with the rules prescribing standards for certified laboratories.
- H. A certificate expires one year after the date of issuance and shall be renewed upon payment of the renewal application fee as prescribed in section 3-146 and continued compliance with this article and the applicable rules.
 - Sec. 6. Section 3-148, Arizona Revised Statutes, is amended to read: 3-148. Grounds for denial, suspension or revocation of a certificate; review and appeal
- A. The assistant director may refuse to grant or renew a certificate or may suspend or revoke a certificate if the assistant director has reasonable grounds to believe that the applicant or registrant is not in compliance with adopted rules relating to the certification of laboratories pursuant to this article. The assistant director shall notify an applicant of the reasons for his THE action.
- B. The director shall review the assistant director's action on request of any person adversely affected by the action, AND THE DIRECTOR'S DECISION IS SUBJECT TO APPEAL PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10.

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Sec. 7. Section 3-201, Arizona Revised Statutes, is amended to read: 3-201. <u>Definitions</u>

In this article, unless the context otherwise requires:

- 1. "Associate director" means the associate director of the division.
- 2. "Diseases" includes all ANY fungus, bacteria BACTERIUM, virus or other organism of any kind and any unknown cause which THAT is or may be found to be injurious, or likely to be or to become injurious to any domesticated or cultivated plant, or to the product of any such plant.
- 3. "Division" means the plant industries SERVICES division of the Arizona department of agriculture.
- 4. "Noxious weed" means any species of plant which THAT is, or is liable to be, detrimental or destructive and difficult to control or eradicate and shall include any species that the director, after investigation and hearing, shall determine to be a noxious weed.
- 5. "Nursery" means real property or other premises on or in which nursery stock is propagated, grown or cultivated or from which source nursery stock is offered for distribution or sale.
- 6. "Nursery stock" includes all trees, shrubs, vines, cacti, agaves, succulents, herbaceous plants whether annuals, biennials or perennials, bulbs, corms, rizomes, roots, decorative plant material, flowers, fruit pits or seeds, cuttings, buds, grafts, scions and other plants intended for sale, gift or propagation, either cultivated or collected in the wild, except seeds as defined REGULATED by article 2 of this chapter, FRUIT AND VEGETABLES REGULATED BY CHAPTER 3, ARTICLES 2 AND 4 OF THIS TITLE AND COTTON PLANTS.
- 7. "Pests" includes all noxious weeds, insects, DISEASES, mites, spiders, nematodes and other animal or plant organisms found injurious, or likely to be or to become injurious, to any domesticated, cultivated, native or wild plant, or to the product of any such plant.
- 8. "Plant" or "crop" includes every kind of vegetation, wild or domesticated, and any part thereof, as well as seed, fruit or other natural product of such vegetation.
- 9. "Shipment" includes anything which THAT is brought into the state or which THAT is transported within the state and which THAT may be the host or may contain or carry or may be susceptible of containing, carrying or having present on, in, or about it any plant pest or plant disease.
- Sec. 8. Section 3-201.01, Arizona Revised Statutes, is amended to read:

3-201.01. Associate director; powers and duties

- A. The associate director may, as authorized by the director:
- 1. Quarantine, treat, eradicate, destroy or reject out of state noxious weeds and crop pests and diseases, and all plants which THAT are infested or infected with crop pests or diseases, or which THAT are the host or carrier or the means of propagating or disseminating a crop pest or disease.

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- 2. Enforce all rules and orders necessary to carry out the purposes of this article:
 - (a) To prevent introduction of a crop pest or disease into the state.
- (b) To prevent propagation or dissemination of a crop pest or disease from one locality to another in this state.
- (c) To control, eradicate or suppress a crop pest or disease or prevent introduction into this state of a crop pest or disease from out of state.
- (d) Which TO fix the terms and conditions on which plants or any other article or thing of any nature whatever likely to be infested or infected with or be the carrier of, or the means of propagating or disseminating, a crop pest or disease which THAT may be shipped or brought into this state, or moved from one locality or place to another locality or place in this state.
- (e) Which TO prohibit plants or things likely to be infected with, be the carrier of or be the means of spreading, propagating or disseminating a crop pest or disease from being shipped or brought into this state or moved from one locality to another in this state.
- 3. Cooperate with the United States secretary of agriculture and $\frac{1}{1}$ THE SECRETARY'S representatives in interstate matters pertaining to the objects of this article.
- 4. Proceed according to law to abate any public nuisance prohibited by this article.
- 5. Establish fees pursuant to section 3-217 and adopt rules necessary to effect and administer the following nursery certification programs:
- (a) an Arizona tertified NURSERY CERTIFICATION program, for any person who requests to participate, to certify that a participating nursery meets the criteria established by the associate director OR THE ENTRY CRITERIA ESTABLISHED BY ANOTHER STATE, COMMONWEALTH OR COUNTRY.
- (b) An export criteria program, for any person who requests to participate, to certify that a nursery or nursery stock meets the criteria established by another state, country or commonwealth.
- 6. REQUIRE RECORDS TO DETERMINE THE ORIGIN AND QUARANTINE CERTIFICATION STATUS OF NURSERY STOCK SOLD, OFFERED FOR SALE OR TRANSPORTED BY ANY PERSON INTO OR WITHIN THIS STATE.
 - B. The associate director shall:
- 1. Keep the director informed concerning dangers to the agricultural and horticultural interests of this state from noxious weeds or crop pests and diseases.
- 2. Faithfully enforce and execute all rules and orders of the department pertaining to the division, using all necessary and proper means including court action.

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- 3. Prepare, and have printed PUBLISH ELECTRONICALLY, POST AND MAKE AVAILABLE at least once each year bulletins containing such information as the associate director deems proper and the current rules and orders of the department and mail copies to various agricultural organizations and carriers transporting plants and other agricultural products into or in this state.
- 4. Enter in or on any premises or other place, train, vehicle or other means of transportation in or entering this state which THAT is suspected of containing, harboring or having present one or more moxious weeds or crop pests or diseases.
- 5. Make inspections to determine if a noxious weed or crop pest or disease is present.
- 6. Open, without unnecessary injury to property, any box, container or package at any time during business or operating hours, and, after notifying the owner or person in charge, if he THE OWNER OR PERSON IN CHARGE is found in the county, open any car, enclosure or building which THAT the associate director suspects contains, harbors or has present a noxious weed or crop pest or disease, and examine and inspect the contents as may be necessary to determine if a noxious weed or crop pest or disease is present.
- 7. If in performing his other duties he THE ASSOCIATE DIRECTOR determines that plant materials inspected and being delivered or transported or shipped by mail or courier are dead, dying or otherwise inferior in quality, mark the plant or package, or both, advising the recipient and sender that, in the judgment of the associate director, the plant materials were found to be dead, dying or of inferior quality. This paragraph does not authorize the associate director to perform inspections solely for the purposes set forth in this paragraph.
- C. The associate director, with the approval of the director, may employ one or more entomologists who are qualified by scientific training or practical experience.
- D. The director may assign personnel from the office of inspections to perform any of the inspection-related activities prescribed by this chapter under the direction of the associate director.
 - Sec. 9. Section 3-223, Arizona Revised Statutes, is amended to read: 3-223. <u>Interdivision livestock inspection</u>

The plant industries SERVICES division, the animal services division and the office of inspections shall cooperate to provide livestock inspections at border inspection stations or department offices as required under section 3-1332, subsection E and to train the appropriate personnel to perform the livestock inspections.

- Sec. 10. Section 3-235, Arizona Revised Statutes, is amended to read: 3-235. Seed dealer and labeler licenses; fee; exception
- A. An Arizona seed dealer or an out-of-state seed dealer who sells, distributes, processes or mixes for the use of others any agricultural, vegetable or ornamental plant seed, except vegetable and ornamental plant seed in packages of less than one pound, shall obtain a license from the

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division, authorizing the dealer to sell, distribute, process or mix such seed. A dealer is not entitled to have a license unless he THE DEALER has an established plant, warehouse or place of business. A separate seed dealer license is required for each place of business in this state from which seed regulated by this article is sold.

- B. A seed labeler who labels any agricultural, vegetable or ornamental plant seed for sale, distribution or processing shall obtain a seed labeler license from the division FOR EACH PLACE OF BUSINESS AT WHICH SEED REGULATED BY THIS ARTICLE IS LABELED.
- C. An application for a license shall be accompanied by the fee prescribed by section 3-233. A license shall be renewed annually not later than July 1, and the application for renewal shall be accompanied by the fee prescribed by section 3-233.
- D. This section does not apply to a farmer growing seed crops for sale to a seed dealer or labeler. The portion of crops received by an individual who harvests the producer's crop and receives part of the crop as payment for services rendered in the harvesting shall be exempt from the provisions of this section.
 - Sec. 11. Section 3-237, Arizona Revised Statutes, is amended to read: 3-237. Label requirements
- A. Each container of agricultural, vegetable and ornamental plant seed sold, offered for sale, exposed for sale or transported within the state for sowing purposes shall bear or have attached in a conspicuous place a plainly written label or tag in the English language, which statement shall not be modified or denied in the labeling or on another label attached to the container, giving the following information:
 - 1. For all seeds named and treated as defined in this article:
 - (a) A word or statement indicating that the seed has been treated.
- (b) The commonly accepted coined chemical or abbreviated chemical name of the applied substance or substances used for treating seed which substances must be registered for use by the division, the United States department of agriculture and the United States environmental protection agency. The provisions of This section shall also apply to seed which THAT has been treated by custom applicators, or in a custom manner, even though the transfer of ownership is not intended.
- (c) If the substance in the amount present with the seed is harmful to human or other vertebrate animals, a cautionary statement such as "Do not use for food or feed or oil purposes." The cautionary statement for mercurials and similarly toxic substances shall be a poison statement or symbol.
- (d) If the seed is claimed to be inoculated, a label to show the month and year beyond which the inoculant on the seed is no longer claimed to be effective, using a statement such as: "Inoculant not claimed to be effective after (month and year)."

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- 2. For agricultural seeds:
- (a) The commonly accepted name of the kind or the kind and variety of each agricultural seed component in excess of five per cent of the whole, and the percentage by weight of each in the order of its predominance. For kinds of seed whose variety is generally known, the label shall show the name of the kind and variety. If the words "variety not stated" are used, the word "type" may also be used. The director shall determine by rule which kinds of agricultural seeds must be labeled to show the variety name or the words "variety not stated". Hybrids shall be labeled as "hybrids". Where more than one component is named, the word "mixture" or the word "mixed" shall be shown conspicuously on the label.
 - (b) The lot number or other lot identification.
- (c) The origin, state or foreign country, if known, of alfalfa, red clover and field corn, except hybrid corn. If the origin is unknown, that fact shall be stated.
 - (d) The percentage by weight of all weed seed.
- (e) The name and rate of occurrence per pound of each kind of restricted noxious-weed seed present.
- (f) The percentage by weight of agricultural seeds, which may be designated as "crop seeds," other than those required to be named on the label.
 - (g) The percentage by weight of inert matter.
 - (h) For each named agricultural seed:
 - (i) The percentage of germination, exclusive of hard seed.
 - (ii) The percentage of hard seed, if present.
 - (iii) If desired, the germination and hard seed total.
- (iv) The month and year the test was completed to determine such percentages.
- (i) The name and address of the person who labeled the seed, or who sells, offers or exposes the seed for sale within this state.
 - 3. For vegetable seeds in containers of one pound or less:
 - (a) The name of the kind and variety of seed.
- (b) For seeds which THAT germinate less than the standard last established by the director under this article:
 - (i) The percentage of germination, exclusive of hard seed.
 - (ii) The percentage of hard seed, if present.
- (iii) The month and year the test was completed to determine such percentages.
 - (iv) The words "below standard" in not less than eight point type.
- (c) The name and address of the person who labeled the seed, or who sells, offers or exposes the seed for sale within this state.
 - 4. For vegetable seeds in containers of more than one pound:
- (a) The name of each kind and variety present in excess of five per cent and the percentage by weight of each in order of its predominance.
 - (b) The lot number or other lot identification.

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- (c) For each named vegetable seed:
 - (i) The percentage of germination, exclusive of hard seed.
 - (ii) The percentage of hard seed, if present.
 - (iii) If desired, the germination and hard seed total.
- (iv) The month and year the test was completed to determine such percentages.
- (d) The name and address of the person who labeled the seed, or who sells, offers or exposes the seed for sale within this state.
 - 5. For ornamental plant seed:
 - (a) The name of the kind and variety of seed.
- (b) The calendar month and year in which the seed was tested or the year in which the seed was packaged.
- (c) The name and address of the person or firm that packeted the seed and labeled it.
- 6. For agricultural, vegetable and ornamental seeds in containers or bulk:
- (a) On applying for protection of a variety and payment of the prescribed fee, the owner or the owner's designee may label the variety or containers of the seed of the variety or plants produced from the seed substantially as follows: "unauthorized propagation prohibited--(unauthorized seed multiplication prohibited)--U.S. variety protection applied for." If applicable, "PVPA 1994" may be added to the notice.
- (b) On issuance of a certificate, the owner of the variety or the owner's designee may label the variety or containers of the seed of the variety or plants produced from the seed substantially as follows: "unauthorized propagation prohibited--(unauthorized seed multiplication prohibited)--U.S. protected variety." If applicable, "PVPA 1994" may be added to the notice.
- (c) On filing an application or an amendment to an application specifying seed of the variety is to be sold by the variety name only as a class of certified seed, the owner or the owner's designee may label containers of the seed of the variety substantially as follows: "unauthorized propagation prohibited--U.S. variety protection applied for specifying that seed of this variety is to be sold by variety name only as a class of certified seed."
- B. IN ADDITION TO THE REQUIREMENTS OF SUBSECTION A OF THIS SECTION, AT THE TIME OF SALE AT RETAIL THE LABEL ON EACH CONTAINER OF SEED FOR NONFARM USAGE SHALL BEAR A CONSPICUOUS VIABILITY STATEMENT THAT:
- 1. IS PRINTED IN CAPITAL LETTERS THE SAME SIZE AS OTHER PRINTED WORDS ON THE LABEL AND IS CONTIGUOUS TO THE GERMINATION DATE.
- 2. STATES "SELL BY (MONTH AND YEAR)". THE DATE SHALL NOT EXCEED THE FIFTEEN MONTH RETAIL PERIOD ESTABLISHED BY SECTION 3-242, SUBSECTION A, PARAGRAPH 1, SUBDIVISION (b).
- 3. SHALL BE AFFIXED AT THE TIME CONTAINERS INTENDED FOR RETAIL SALES ARE LABELED.

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Sec. 12. Section 3-242, Arizona Revised Statutes, is amended to read: 3-242. <u>Violations</u>; civil penalties

- A. The director may assess a civil penalty of at least fifty dollars but not more than three hundred dollars for each violation, with each affected customer constituting a separate violation, against a seed dealer or labeler who, after a hearing, is found by a preponderance of the evidence:
- 1. To have not completed the test to determine the percentage of germination required by section 3-237 within a nine month period, exclusive of the calendar month in which the test was completed, immediately before the sale, exposure for sale or offering for sale or transportation.
- 1. TO HAVE NOT COMPLETED THE TEST TO DETERMINE THE PERCENTAGE OF GERMINATION REQUIRED BY SECTION 3-237 IMMEDIATELY BEFORE THE SALE, OFFERING FOR SALE OR TRANSPORTATION:
- (a) WITHIN A NINE MONTH PERIOD, EXCLUSIVE OF THE CALENDAR MONTH IN WHICH THE TEST WAS COMPLETED, FOR ANY AGRICULTURAL, ORNAMENTAL OR VEGETABLE SEED INTENDED FOR WHOLESALE OR COMMERCIAL PRODUCER PURCHASE.
- (b) WITHIN A FIFTEEN MONTH PERIOD, EXCLUSIVE OF THE CALENDAR MONTH IN WHICH THE TEST WAS COMPLETED, FOR ANY AGRICULTURAL, ORNAMENTAL OR VEGETABLE SEED INTENDED FOR RETAIL PURCHASE.
 - 2. To have not obtained any license that is required by this article.
- B. The director may assess a civil penalty of not more than two thousand five hundred dollars for each violation, with each affected customer constituting a separate violation, against a seed dealer or labeler who, after a hearing, is found by a preponderance of the evidence:
- 1. To have labeled or sold seed represented to be certified seed, registered seed or foundation seed unless it has been produced and labeled according to the rules and regulations of an officially recognized seed certification or registration agency.
- 2. To have labeled or sold seed that has been treated with any approved substance designed to control or repel plant disease organisms or insect pests attacking the seeds, unless each container bears a label giving information in the form the director prescribes by rule, showing the commonly accepted name and the kind or nature of the substance and, if the substance may be harmful to humans or other vertebrate animals, a warning or cautionary statement that is adequate to protect the public.
- 3. To have hindered or obstructed an authorized agent of the department from performing official duties under this article.
 - 4. To have failed to comply with a cease and desist order.
 - 5. To have labeled or sold seed that has a false or misleading label.
- 6. To have labeled or sold seed that has been advertised in a false or misleading manner.
 - Sec. 13. Section 3-365, Arizona Revised Statutes, is amended to read: 3-365. <u>Buffer zones</u>
- A. The odoriferous pesticides profenofos, sulprofos, def and merphos and other pesticides with similar odoriferous characteristics shall not be

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applied within one-fourth mile of a school, a day care center, a health care institution, A CHILD CARE GROUP HOME AS DEFINED BY SECTION 36-897 or at least twenty-five residences adjoining the field to be sprayed, except by soil injection.

- B. Highly toxic pesticides or paraquat shall not be applied within four hundred feet of a health care institution, except by soil injection.
- C. Highly toxic pesticides or paraquat shall not be applied in liquid form, except by soil injection, within one hundred feet by aircraft or within fifty feet by ground equipment of at least twenty-five residences adjoining the field to be sprayed. Highly toxic pesticides shall not be applied in dust form by aircraft within three hundred feet of at least twenty-five residences adjoining the field to be sprayed.
- D. Highly toxic pesticides and paraquat shall not be applied within one-fourth mile of schools, CHILD CARE GROUP HOMES, or day care centers. However, highly toxic pesticides and paraquat may be applied within one-fourth mile of schools, CHILD CARE GROUP HOMES, and day care centers unless authorized activities at the school, CHILD CARE GROUP HOME or day care center are scheduled to occur before the reentry time period assigned to the pesticide by provisions of the product label elapses. A responsible individual at a school or a day care center shall be notified of the application of pesticides, other than highly toxic pesticides or paraquat, by aircraft during daylight hours.
- E. Nothing in this section permits the application of pesticide in such a way as to cause drift within the grounds of a residence, school, health care institution, CHILD CARE GROUP HOME, or day care center, but compliance with this section and the requirements of the pesticide label establishes a presumption of compliance with this subsection.
- F. For the purposes of this section, distances shall be measured from the property boundary of a school, residence, day care center, CHILD CARE GROUP HOME, or health care institution closest to the field to be sprayed to the area of the field that is to be sprayed.
 - Sec. 14. Section 3-367, Arizona Revised Statutes, is amended to read: 3-367. Private right of action
- A. Except as provided in subsection B of this section, any person having an interest which THAT is or may be adversely affected may commence a civil action in superior court on the person's own behalf:
- 1. Against any person, including this state and any political subdivision of this state, who is alleged to be in violation of this article or of an order, permit or rule adopted or issued pursuant to this article, other than a de minimis violation. The court shall have jurisdiction to enforce the provision, order, permit or rule and to apply any appropriate civil penalty under section 3-370.
- 2. Against the director where there is alleged a failure of the director to perform any act or duty under this article which THAT is not

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 discretionary with the director. The court shall have jurisdiction to order the director to perform such act or duty.

- B. No action may be commenced in either of the following cases:
- 1. Before sixty days after the plaintiff has given notice of the alleged violation to the department and to any alleged violator or if, within the sixty days, the director begins and diligently performs the act or duty sought to be compelled.
- 2. If the attorney general has commenced and is diligently prosecuting an action before the department under section 3-369 3-368 or a civil action in the superior court of this state to require compliance with the permit, order, rule or provision of this article.
 - C. In any action under this section:
 - 1. The director, if not a party, may intervene as a matter of right.
 - 2. The plaintiff has the burden of proof.
- D. The court, in issuing any final order in any action brought pursuant to this section, may:
- 1. Award costs of litigation, including reasonable attorney and expert witness fees, to any party whenever the court determines such award is appropriate and, in addition, to the defendant in the case of a frivolous action.
- 2. Provide for injunctive, or other equitable, relief or assess civil penalties that could have been administratively assessed. Any monies collected as civil penalties shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund.
- E. This section shall not be construed to abrogate the provisions of chapter 1, article 2 of this title.

Sec. 15. Repeal

Section 3-369, Arizona Revised Statutes, is repealed.

Sec. 16. Section 3-481, Arizona Revised Statutes, is amended to read: 3-481. Definitions

In this article, unless the context otherwise requires:

- "Associate director" means the associate director of the division.
- 2. "Bulk lot" means fresh fruit or vegetables that are not contained in a box, carton, crate or lug but may be contained in a bin or a similar container and are set apart from fresh fruit and vegetables that are packaged in containers authorized pursuant to this article or rules adopted pursuant to this article.
- 3. "By-products" means a product commercially processed or manufactured for resale from fruits or vegetables or their juices.
- 4. "Commission merchant" means a person who receives on consignment or solicits from the producer any fruit or vegetable for sale on commission on behalf of the producer or who accepts any fruit or vegetable in trust from the producer for the purpose of resale. Commission merchant does not include a shipper.

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- 5. "Container" means a box, carton or lug that is used for packing, shipping or selling fruit or vegetables that are authorized by this article or rules adopted pursuant to this article.
- 6. "Dealer" means a person that sells, markets or distributes fruit or vegetables that the person purchased from a producer or markets as an agent, broker or commission merchant, except at retail. Dealer does not include a shipper.
- 7. "Division" means the plant industries SERVICES division of the Arizona department of agriculture.
- 8. "Lot" means a unit of identical or similar items that are produced by one person and that are grouped or consolidated in one or more containers for packaging or transporting or a cluster of identical or similar items that are produced by one person and that are included in the same shipping order, bill of lading or other itemized transport order.
- 9. "Packer" means a person, other than a producer, shipper or dealer, engaged in the business of harvesting or packing fruit or vegetables.
- 10. "Person" includes an individual, firm, association, partnership, trust or corporation.
- 11. "Producer" means a person engaged in this state in the business of producing or causing fruit or vegetables to be produced for market in commercial quantities.
- 12. "Shipper" means a person who ships, transports, sells or markets fruit or vegetables under the person's registered trademark or label or a person who first markets the fruit or vegetables on behalf of the producer. Shipper does not include a commission merchant.
- 13. "Supervisor" means the supervisor of standardization employed pursuant to section 3-483.
 - Sec. 17. Section 3-605, Arizona Revised Statutes, is amended to read: 3-605. Federal milk ordinance; health and sanitation provisions
- A. Except where UNLESS inconsistent with the provisions of this chapter, the production, transportation, handling and sale of milk and milk products and the inspection of dairy herds, dairies and milk plants shall be regulated in accordance with the terms of the federal milk ordinance, a certified copy of which shall be on file in the office of the secretary of state.
- B. The words "health authority" when used in the federal milk ordinance means the director or his THE DIRECTOR'S authorized representative.
- C. Powers and duties in the federal milk ordinance relating to health and sanitation are vested in the director. In addition, the director shall adopt rules necessary to assure that all milk and milk products sold or distributed for human consumption are free from unwholesome, poisonous or other foreign substances and filth, insects or disease-causing organisms. The rules shall prescribe reasonably necessary measurements governing the production, processing, labeling, storing, handling and transportation of milk and milk products. The rules shall prescribe minimum

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 standards for the sanitary facilities and conditions which THAT shall be maintained in any dairy or other facility and in any truck or other vehicle in which milk or milk products are produced, processed, handled or transported. The rules shall provide for the inspection and licensing of premises and vehicles so used, and for abatement as public nuisances of any premises or vehicles which THAT do not comply with rules and minimum standards. This subsection and the rules prescribed pursuant to this subsection do not apply to dispensing and selling frozen desserts at retail.

- D. The provisions of the federal milk ordinance apply to this state. Sec. 18. Section 3-624, Arizona Revised Statutes, is amended to read: 3-624. Cheese: ingredients: pasteurized cheese: part-skim cheese: labeling: cottage cheese excepted
- A. Cheese manufactured in the state for sale shall be made from pasteurized milk, skim milk, cream, goat milk or sheep milk conforming to the requirements prescribed by this article. All cheese sold shall be labeled to indicate the variety and grade thereof OF THE CHEESE. Pasteurized cheese or pasteurized-blended cheese bearing a varietal name shall be made from cheese of the variety indicated and conforming to the requirements for fat and moisture prescribed for cheese of that variety. The standards of composition for pasteurized cheese, pasteurized-blended cheese, emulsified cheese and process cheese shall be fixed by the associate director and shall conform to those prescribed by the secretary of the United States department of agriculture. Cheese manufactured in the state shall be labeled at the factory with a manufacturer's factory number assigned annually by the associate director. If made outside the state, cheese shall bear a label stating the name and address of the manufacturer or distributor.
- B. It is unlawful to expose for sale any part-skim cheese or skim cheese unless there is attached to the outside of every vessel, can, package or cheese exposed or sold a tag legibly bearing in black letters at least one inch in height the words "part-skim cheese No. 1," "part-skim cheese No. 2" or "skim cheese," as the case may be. All part-skim or skim cheeddar or granular cheese shall be labeled to indicate the grade on its entire outer edge in a manner specified by the associate director. All other varieties of part-skim or skim cheese shall be labeled to indicate the grade in such manner as the associate director prescribes.
- C. Nothing in this section shall be deemed to apply to cottage cheese. The addition of cream, milk or other fluids to uncreamed or creamed cottage cheese shall take place only in a milk distributing plant or a manufacturing milk plant licensed under the provisions of this article.
- D. Nothing in This section shall DOES NOT apply to any cheese commonly referred to as "hard cheese", which THAT is manufactured from unpasteurized milk products and which THAT is aged for a period of at least one year SIXTY DAYS from the date of its moulding as evidenced by the date of moulding stamped on the cheese at the time of manufacturing.

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Sec. 19. Section 3-701, Arizona Revised Statutes, is amended to read: 3-701. <u>Definitions</u>

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In this article, unless the context otherwise requires:

- 1. "Agent" includes a bailee, broker, commission merchant, factor, auctioneer, solicitor, consignee and any other person acting upon the express or implied authority of another person.
 - 2. "Associate director" means the associate director of the division.
- 3. "Carton" means egg cartons as used in commercial practice in the United States.
- 4. "Case" means standard thirty-dozen egg cases as used in commercial practice in the United States.
- 5. "Consumer" means a person who buys eggs for use as food and not for resale in any form.
- 6. "Container" means any box, one-half case, basket, flat or other receptacle, excluding a carton as defined in paragraph 3 and excluding a case as defined in paragraph 4.
- 7. "Dealer" means any person who contracts or obtains from the producer, or any producer-dealer, dealer or manufacturer, possession or control of any eggs or egg products for the purpose of candling, grading, selling, peddling, distributing, dealing in or trading in eggs or egg products for resale to an egg dealer within this state, producer-dealer, manufacturer, retailer or consumer for human consumption within this state.
- 8. "Deceptive" means any arrangement of the contents of any case, container, subcontainer, lot, load or display in which the eggs in the outer layer or in any portion exposed to view are in grade, size, condition or in any other respect so superior to those in the interior or unexposed portion as to materially misrepresent the contents or any part of the contents as to size, grade, condition or any other respects.
- 9. "Division" means the animal services division of the Arizona department of agriculture.
- 10. "Expiration date" means the words "sell by" or "buy thru" followed by a date, including the month and day, which THAT is not more than twenty-four days after the eggs were candled and THAT includes the date the eggs were candled.
- 11. "Grade" means classified as to quality and applies to a dozen, case, lot or load of eggs.
- 12. "Half case" means a fifteen-dozen container or one-half standard thirty-dozen egg case as used in commercial practice in the United States.
- 13. "Inspector" means an egg inspector appointed or assigned pursuant to section 3-709.
- 14. "Manufacturer" means a person engaged in the business of operating or controlling the operation of one or more breaking plants producing liquid eggs. dried eggs. frozen eggs or other egg products for human consumption.
- 15. "Marked" means plainly, legibly and conspicuously labeled, stamped, stenciled, printed, typed, lettered or branded.

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- 16. "Mislabel" means the placing or presence of any false, deceptive or misleading mark, term, statement, design, device, inscription or any other designation upon eggs or upon a carton, container or subcontainer of eggs, or upon the label or lining or wrapper thereof, or upon the outward end of the case, or upon a placard or sign used in connection therewith, or in connection with any display having reference to eggs.
- 17. "NEST RUN EGGS" MEANS EGGS THAT ARE PACKED AS THEY COME FROM THE PRODUCTION FACILITIES WITHOUT HAVING BEEN WASHED, SIZED OR CANDLED FOR QUALITY, REGARDLESS OF WHETHER SOME UNDERGRADES HAVE BEEN REMOVED.
- $17.\,$ 18. "Person" includes an individual, household, firm, corporation, company or association.
- 18. 19. "Producer" means a person engaged in the business of operating or controlling the operation of one or more ranches producing eggs within this state.
- 19. 20. "Producer-dealer" means a person engaged in the business of operating or controlling the operation of one or more egg ranches producing eggs within the state, and who, while in possession or control of any additional eggs other than his THE PERSON'S own production, candles, grades, sells, peddles, distributes, deals in or trades in eggs for resale to dealers, producer-dealers, manufacturers or retailers.
- 20. 21. "Quality" means the inherent properties of any product which determine its relative degree of excellence.
- 21. 22. "Retailer" means a person who buys candled and graded eggs or egg products from a producer, licensed manufacturer, licensed producer-dealer or licensed dealer for resale to a consumer only, or who buys egg products to use in the preparation of other consumer foods for resale.
- 22. 23. "Sell" includes offer for sale, expose for sale, have in possession for sale, exchange, barter or trade.
 - 23. 24. "Size" means classified as to weight.
 - 24. 25. "Standard" means the quality specifications for a single egg.
- 25. 26. "Subcontainer" means a container which THAT is used within another container.
- 26. 27. "Supervisor" means the supervisor of egg inspection or the supervisor's authorized representative.
- 27. "Unclassified" means nest-run eggs which are unmarked as to grade and size.
 - Sec. 20. Section 3-715, Arizona Revised Statutes, is amended to read: 3-715. Unlawful sales; unlawful designations
- A. It is unlawful to sell to retailers or consumers NEST RUN eggs which are unclassified, except that a person may sell to retailers or consumers twenty-five cases of such NEST RUN eggs from his THE PERSON'S own production each calendar year. Retailers may sell such NEST RUN eggs to consumers only if, such eggs when on hand, offered for sale or placed on sale, THEY are clearly marked "unclassified" "NEST RUN". Each placard for cases, half-cases, cartons or containers of such NEST RUN eggs and all advertising,

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invoices and egg purchase tickets relating to such NEST RUN eggs shall likewise be clearly marked "unclassified" "NEST RUN" as prescribed in this article. The total quantity of unclassified NEST RUN eggs on hand or on sale at any time shall not exceed the total quantity of such NEST RUN eggs as shown on invoices or egg purchase tickets. Any person who sells unclassified NEST RUN eggs shall keep an invoice or egg purchase ticket as prescribed in section 3-718.

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- B. Any person proposing to sell unclassified eggs shall, prior to any such sales, A PERSON WHO PROPOSES TO SELL NEST RUN EGGS MUST FIRST notify the department in writing of his THAT intent to sell such eggs and specify his THE location, AND the number of laying hens he owns or which are or in his possession, the place of production and the general area of the THIS state in which such THE NEST RUN eggs are to be sold.
- C. It is unlawful for any person selling any portion of his A daily production as graded eggs to sell any OTHER portion thereof as unclassified NEST RUN eggs, except that any person may change his THE sales from graded to unclassified if he notifies NEST RUN BY NOTIFYING the department in writing prior to such change.
- D. It is unlawful for any person selling any portion of his A daily production as unclassified NEST RUN eggs to sell any OTHER portion thereof as graded eggs, except that any person may change his THE sales from unclassified NEST RUN eggs to graded eggs if he notifies BY NOTIFYING the department in writing within five days from the date of change.
- E. Any person selling unclassified NEST RUN eggs as provided in this section shall notify the department in writing within five days from the date each calendar year his THE PERSON'S total sales of such eggs amount to twenty-five cases.
- F. The department shall keep a record of all notifications made under this section.
- G. It is unlawful to sell or represent as chicken eggs, eggs from any other species of fowl, or mixed eggs from more than one species of fowl, or eggs from ducks, turkeys, geese or any species of fowl other than chickens without marking the cases, half-cases, containers and subcontainers of such eggs and indicating fully by sign or placard for bulk lots the species of fowl from which such eggs were produced.
- H. It is unlawful to place on open display in retail stores cases with markings or any designation of brand, size, grade or other matter which THAT does not properly and accurately apply to the eggs placed or packed therein unless all of such markings have been removed, erased or obliterated.
- I. It is unlawful to prepare, pack, place, deliver for shipment, deliver for sale, load, ship or transport or sell in cases, cartons, containers or subcontainers eggs for human consumption:
- 1. Unless each case, carton, container or subcontainer of chicken eggs is marked with the full, correct and unabbreviated designation of size and grade of the eggs therein according to the standards as prescribed pursuant

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to this chapter, together with the name of the producer, dealer, retailer or agent by or for whom the eggs were graded or marked.

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- 2. Unless cases, cartons, containers or subcontainers of chicken eggs marked grade AA or grade A are marked with the correct expiration date.
 - 3. Which THAT are mislabeled.
 - 4. Which THAT are deceptive.
 - 5. Which THAT are or contain inedibles.
- 6. Which THAT have been in an incubator, unless the inedibles have been removed and the cases have been labeled as a hatchery test.
- J. The owner or person in possession of eggs which THAT fail to meet the requirements of subsection I, paragraphs 3 and 5 of this section, when such eggs are in cold storage, or are being transported from cold storage and in possession of a dealer for candling and grading, shall not be prosecuted by reason of failure of the eggs to conform to such provisions. Such THE eggs shall be subject to the provisions of section 3-730, subsections B, C and D. The owner or person in possession of eggs which THAT are going to a licensed person for candling or grading shall not be prosecuted for failing to meet the requirements of subsection I, paragraph 5 of this section, if the eggs do not contain more than five per cent by count of inedibles.
- K. It is unlawful for retailers, producers, producer-dealers and dealers to sell or expose for sale eggs that are marked grade AA or grade A after the expiration date marked on the carton, case or container expires; except that retailers may:
- 1. Sell eggs after the expiration date on the cartons or containers if the eggs are segregated from and in a separate area of the retail display shelf, case or cabinet from cartons or containers with unexpired expiration dates. A conspicuous, clearly visible and easily readable sticker, tag or label which states that the expiration date has passed shall be affixed to each carton or container with an expired expiration date. The sticker, tag or label shall be a color which distinctly contrasts with the carton or container and labeling colors and shall not be superimposed over the grade, size or expiration date.
- 2. Repack eggs from cartons or containers with expired expiration dates into other cartons or containers if both of the following occur:
- (a) The other carton or container is marked grade B and does not contain a brand name.
- (b) The eggs are exposed for sale within three days after the expiration date marked on the original carton or container has passed.
- 3. Repack clean unbroken eggs from damaged cartons or containers which contained smashed or broken eggs at the same grade level if the eggs are repacked in a carton or container which is the same brand and has the same or an earlier expiration date as the damaged carton or container provided that the eggs are not washed or cleaned with a rag and the damaged eggs and cartons are not allowed to accumulate.

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4. Replace a checked or cracked egg if the contents of the egg are not leaking with a clean, sound egg from another carton or container which is the same grade level and brand and has the same or an earlier expiration date as the checked or cracked egg.

Sec. 21. Section 3-716, Arizona Revised Statutes, is amended to read: 3-716. <u>Inspection fees: report and payment by dealers:</u> exception; penalty; collection

- A. An inspection fee of not more than three mills per dozen on shell eggs and three mills per pound on egg products shall be paid by a dealer, producer-dealer, manufacturer or producer on all eggs and egg products regardless of origin, sold to a retailer, hotel, hospital, bakery, restaurant, other eating place or consumer for human consumption within this state. Inspection fees on eggs used for the purpose of breaking, freezing or drying shall be paid by the manufacturer, dealer or distributor if sold or offered for sale to retailers or consumers for human consumption within this state.
- B. If it appears that the revenue derived from inspection fees is more than is required for the administration of this article, the director may decrease the inspection fee and at any time thereafter may increase or decrease the inspection fee, but at no time shall it exceed an amount of three mills per dozen on shell eggs or three mills per pound on egg products.
- C. All manufacturers, dealers, producer-dealers and producers shall file:
- 1. A quarterly report with the department showing the name and address of the manufacturer, dealer, producer-dealer or producer.
- 2. The number of dozen of eggs or pounds of egg products sold or delivered for the period to retail stores, hotels, hospitals, bakeries, restaurants, other eating places or consumers for human consumption within this state.
- D. The report shall be accompanied by check or money order covering the inspection fee total of a value equal to the inspection fee in force at that time on all eggs or egg products shown on such report within thirty days following the close of quarterly report periods.
- E. The records shall be retained for a period of one year and shall be open at all times to the inspection of the department.
- F. Notwithstanding the requirements of this section, twenty-five cases per year of unclassified NEST RUN eggs as provided in section 3-715 may be sold by any person to retailers or consumers without being subject to the report and inspection fee as provided by this section.
- G. In addition to the inspection fees prescribed by this section, a penalty of ten per cent shall be added for the delinquent filing of any report or the delinquent payment of any inspection fee, and if the report and payment are not made within ten days after notification of delinquency, the penalty shall be twenty-five per cent of the inspection fee. Persons filing a false report shall be penalized fifty per cent of the amount due for

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inspection fees. The penalties prescribed by this section shall be deposited, pursuant to sections 35–146 and 35–147, in the state egg inspection account FUND.

H. Such inspection fees and penalties shall be collected by civil action filed by the county attorney.

Sec. 22. Section 3-718, Arizona Revised Statutes, is amended to read: 3-718. Sale of eggs; invoice; deterioration of eggs below grade; exceptions

- A. Every person selling eggs or egg products to a producer-dealer, dealer, retailer, manufacturer, hotel, hospital, bakery, restaurant or other eating place, or consumer shall furnish an invoice showing the date of sale, the exact quantity of eggs or egg products, size and grade of the eggs, or unclassified NEST RUN, according to the standards prescribed pursuant to this chapter, together with the name and address of the person buying and selling the eggs. An egg purchase ticket given by a dealer or producer-dealer to a producer when the producer sells unclassified NEST RUN eggs to such dealer or producer-dealer complies with this section. A copy of the invoice or egg purchase ticket shall be kept on file by the seller and the buyer at their respective places of business for a period of thirty days and shall be open at all reasonable times to inspection by an inspector.
- B. A person having eggs marked in accordance with the invoice who keeps the eggs for such time after they are purchased as to cause them to deteriorate to a lower grade or size and then offers or exposes them for sale under the mark of the invoice grade or size violates the provisions of this article.
- C. No invoice shall be required on eggs when sales are made by the producer from eggs produced on the producer's premises and sold direct to the consumer.
- D. No invoice shall be required on eggs sold or delivered by a retailer when selling eggs from his retail THE RETAILER'S establishment to consumers.

Sec. 23. Section 3-723, Arizona Revised Statutes, is amended to read: 3-723. Price advertisements; designation of size and grade of eggs

Advertising by sign, placard or otherwise the price at which chicken eggs are offered for sale without marking the full, correct and unabbreviated designation of size and grade of the eggs, or unclassified NEST RUN, according to the standards prescribed pursuant to this chapter on the advertisement is prohibited.

Sec. 24. Section 3-901, Arizona Revised Statutes, is amended to read: 3-901. <u>Definitions</u>

In this chapter, unless the context otherwise requires:

- 1. "Associate director" means the associate director of the division.
- 2. "Division" means the plant industries ENVIRONMENTAL SERVICES division of the Arizona department of agriculture.

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- 3. "State agency" means any agency or political subdivision of the state.
 - 4. "State land" includes land owned by this state or by a state agency.
 - Sec. 25. Section 3-904, Arizona Revised Statutes, is amended to read: 3-904. <u>Destruction of protected plants by private landowners:</u> notice: exception
 - A. Except in an emergency, This chapter does not prevent the destruction of protected native plants or clearing of land or cleaning or removing protected native plants from a canal, lateral ditch, survey line, building site or road or other right-of-way by the owner of the land or the owner's agent if:
 - 1. The land is in private ownership.
 - 2. The protected native plants are not transported from the land or offered for sale.
 - 3. The owner or the owner's agent notifies the department pursuant to this section of the intended destruction at least:
 - (a) Twenty days before the plants are destroyed over an area of less than one acre.
 - (b) Thirty days before the plants are destroyed over an area of one acre or more but less than forty acres.
 - (c) Sixty days before the plants are destroyed over an area of forty acres or more.
 - 4. The protected plants are destroyed within one year of the date of destruction disclosed in the notice given the department in paragraph 3 of this subsection.
 - B. The notice under subsection A, paragraph 3, subdivision (a) may be oral or written. The notice under subsection A, paragraph 3, subdivisions (b) and (c) must be in writing. The notice under subsection A, paragraph 3, whether written or oral, shall include:
 - 1. The name and address of the owner of the land and, if the owner is not a resident of this state, the name and address of the owner's agent in this state to be contacted regarding the destruction or salvage of the native plants.
 - 2. The earliest date that destruction of the protected native plants will begin.
 - 3. A general description of the area in which the protected native plants will be destroyed.
 - 4. Whether the owner intends to allow salvage of the plants to be destroyed.
 - C. The director by rule shall:
 - 1. Prescribe the form and content of the notice which THAT shall be adequate and comply with subsection B and shall provide landowners with copies of the notice on request.

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- 2. Provide for an alternative procedure in cases in which the landowner is not required to notify the department in writing. The alternative procedure shall include:
 - (a) Oral notification by the landowners to the department.
- (b) Preparation by the department of a written notice form. The department shall transmit a confirming copy to the landowner, and the owner may not begin destruction of protected native plants until he THE OWNER receives the written confirmation and the time prescribed under subsection A, paragraph 3 has elapsed.
- D. The written notice form, whether completed by the landowner or the department, shall include the following notice in bold-faced type:

Notice: Consent of the landowner is required before entering any lands described in this notice.

- E. Within five working days after receiving the notice required under this section the department shall post a copy of the notice in a conspicuous location in the public area of the division office that administers the department activities in the county where the land is located on which the native plants are to be destroyed. The division shall also mail a copy of the notice to any salvage operator or interested party that has requested notice of such activities occurring during the current calendar year. The director by rule may establish and the associate director shall collect a reasonable fee from those receiving copies of the notice to cover the cost of providing this notice.
- F. If the department receives a notice of intended destruction under subsection A, paragraph 3 and subsequently receives a complete and correct application for a salvage permit executed by the owner of the land or his THE OWNER'S agent for any highly safeguarded or salvage restricted native plants intended to be destroyed under the notice, the department shall facilitate the prompt salvage of the plants by issuing a permit, and any associated tags and seals, within four working days.
- G. The notice requirements of subsection A, paragraph 3 do not apply to the destruction of native plants that occurs in the normal course of mining, commercial farming and stock raising operations.
- H. This section does not apply to the destruction of protected native plants on individually owned residential property of ten acres or less where initial construction has already occurred.
 - Sec. 26. Section 3-909, Arizona Revised Statutes, is amended to read: 3-909. Shipment of plants; exhibition of permit and certificate of inspection to carrier; sale of highly safeguarded plants
- A. No person or common carrier may transport a plant, or any part of a plant, belonging to the protected group, nor receive or possess a protected native plant for transportation within or without this state, except for manufactured wood articles, unless the person offering the plant for shipment exhibits to the person or common carrier a valid written permit for the

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 transportation of the plant or part of a plant and has securely and properly attached a valid required native plant tag and seal to the plant. If for transport without the state, the plant shall also bear a certificate of inspection by the department. All protected native plant species or varieties, if not grown in Arizona and imported into this state, shall be declared at an Arizona agricultural inspection station or a district office of the department and proceed to their destination under quarantine orders issued by agents of the department employed at such station or office TRANSPORTED DIRECTLY TO A DEPARTMENT FIELD OFFICE AT WHICH A MOVEMENT PERMIT AND SEALS MUST BE PURCHASED BEFORE PROCEEDING TO THE FINAL DESTINATION.

- B. Plants of the protected group which THAT are shipped into this state shall be accompanied by all permits, tags and seals required by the exporting state or country.
- C. It is unlawful for a person to commercially sell or offer for commercial sale in interstate commerce any highly safeguarded native plant or in the course of interstate commercial activity to deliver, receive, carry, transport or ship by any means any such plant in furtherance of a commercial sale or offer for commercial sale.
- D. The seller of export restricted native plants shall make a good faith effort to sell the export restricted native plants within the state prior to export.

Sec. 27. Repeal

Section 3-1203, Arizona Revised Statutes, as amended by Laws 2002, chapter 270, section 2, is repealed.

Sec. 28. Section 3-1332, Arizona Revised Statutes, as amended by Laws 2003, chapter 188, section 3, is amended to read:

3-1332. Method, place and time of inspecting livestock

- A. Livestock officers and inspectors shall inspect livestock, other than equine and livestock subject to authorized self-inspection, for health, marks and brands at loading stations, at places of exit from the state and at places where livestock are gathered to be sold, slaughtered, transported, conveyed, shipped or driven from their range for any purpose whatever except when livestock are being moved from pasture to a destination in this state and no change of ownership, slaughter or other disposition is involved and the owner is utilizing self-inspection approved by the division under section 3-1203. Livestock officers and inspectors need not inspect outgoing livestock from feed lots, dairies and producers utilizing self-inspection pursuant to section 3-1203 but may conduct periodic inspections to ascertain compliance with this article.
- B. Feed lots, dairies and producers utilizing self-inspection approved by the division under section 3-1203 shall comply with the applicable provisions of this section and procedures established by the division.
- C. Brand inspections shall be made by daylight and in a manner which THAT enables the livestock officer or inspector personally to see, inspect and record each and every mark and brand. Inspections of livestock for

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health at a slaughterhouse may be made by other than daylight if adequate artificial light is provided.

- D. Upon being advised that livestock is subject to inspection, livestock officers and inspectors shall arrange for the inspection of the livestock and inspect such livestock within twelve hours.
- E. The animal services division, the plant industries SERVICES division and the office of inspections shall cooperate to provide livestock inspections at border inspection stations or department offices and to train appropriate personnel to perform these inspections. Employees of the plant industries SERVICES division acting under this subsection do not have enforcement powers otherwise granted to livestock officers. In the case of an apparent discrepancy, disease or other problem a livestock officer or inspector employed by the animal services division shall be called on to make a final inspection and determination. The associate director of the animal services division shall assign at least one livestock officer or inspector to be on call from each office operated by the plant industries SERVICES division under this subsection.
 - Sec. 29. Section 3-1337, Arizona Revised Statutes, is amended to read: 3-1337. Service charge and inspection fee; self-inspection:

civil penalties

- A. Livestock officers and inspectors shall collect from the person in charge of cattle inspected a service charge of three dollars plus an inspection fee of twenty-five cents per head for making inspections for the transfer of ownership, sale, slaughter or transportation of cattle.
- B. Livestock officers and inspectors shall collect from the person in charge of sheep inspected a service charge of three dollars plus an inspection fee of five cents per head for making inspections for the transfer of ownership, sale, slaughter or transportation of sheep.
- C. Livestock officers and inspectors shall collect from the person in charge of dairy cattle inspected a service charge of three dollars plus an inspection fee of twenty-five cents per head for making inspections for the transfer of ownership, sale, slaughter or transportation of dairy cattle.
- D. The division may approve self-inspection by MOVERS OF BEEF CATTLE, feedlots and dairies pursuant to section 3-1203, subsection D. Movement shall be documented on forms provided by the department. MOVERS OF BEEF CATTLE, feedlots and dairies which THAT utilize self-inspection shall pay an outgoing inspection fee of twenty cents per head.
- E. Service charges and inspection fees collected by the livestock officers and inspectors and feedlots and dairies utilizing self-inspection shall be remitted to the division. Service charges and inspection fees incurred by feedlots and dairies shall be remitted to the department within ten days after the end of the month in which the livestock were inspected.

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 Sec. 30. Section 3-1346, Arizona Revised Statutes, as amended by Laws 2002, chapter 270, section 9, is amended to read:

3-1346. Seasonal inspection for exhibition livestock; fee

- A. Seasonal inspection certificates may be issued, under the self-inspection program, for exhibition livestock for any purpose other than slaughter, sale or trade. The fee for a seasonal brand inspection certificate is five dollars plus fifty cents per head of livestock in excess of ten.
- B. The certificate shall state the date of issuance, the sex, color and breed, the brand or brands and their location and any other identifying marks and the name of the owner of the livestock. The words "seasonal brand inspection" shall be written across the face of the certificate.
- C. The certificate is valid for the calendar year of TWELVE MONTHS AFTER the date of issuance and shall accompany the livestock while in transit.

Sec. 31. Repeal

Section 3-1346, Arizona Revised Statutes, as amended by Laws 2002, chapter 270, section 10, is repealed.

Sec. 32. Section 3-1721, Arizona Revised Statutes, is amended to read:
3-1721. Petition of seizure; notice of seizure; lien for
expenses; forced sale; disposition of proceeds;
nonliability of state; neglect or cruel treatment of
equine; civil penalty; legal representation

- A. Any person or peace officer who believes that an equine is in poor physical condition because of neglect or cruel treatment may petition upon affidavit a justice of the peace of the precinct or a city magistrate of the city in which the equine is found for an order authorizing the department to take possession of and provide care for such THE equine for a fifteen-day period. The order shall not be issued unless the affidavit provides that the livestock custody fund established by section 3-1377 has a balance which THAT permits the department to provide such care or that the department can demonstrate that the expenses have been contracted for pursuant to subsection F-E of this section. The clerk of the court or justice of the peace, as the case may be, after filing and docketing the petition, shall enter a brief statement of the petition on the docket and set a time for a hearing which THAT is not less than five and not more than fifteen days after the petition is filed. The order shall state the time and place of the hearing.
- B. On receiving the order the department shall take possession of the equine. The department shall serve the order on the owner of the equine, if known, at least twenty-four hours before the hearing, either by personal service on the owner or by leaving a copy of the order with a person of suitable discretion at the owner's residence or place of business. If the owner is not known, the department shall give notice by posting a copy of the order on the day of the seizure in a conspicuous place at the location where the equine was seized and in at least two public places in the county where

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the equine was seized. The order shall be served by a livestock officer, constable or sheriff of the county.

- C. If, at the hearing, it is determined that the equine at the time of taking possession was not in poor physical condition because of neglect or cruel treatment, the owner may immediately reclaim the equine and shall not be liable for payment of any expense incurred in the handling, feeding and care of the equine. Unless malice is proved, no action taken by an employee of the department or by a peace officer pursuant to this article shall be subject to civil or criminal liability.
- D. If, at the hearing held pursuant to subsection A of this section, the owner is not awarded immediate expense-free custody of the equine, the owner may reclaim the equine within five days after the hearing by paying to the department all of the expenses incurred in handling, feeding and caring for the equine. The department shall deposit, pursuant to sections 35-146 and 35-147, the monies collected in the livestock custody fund established by section 3-1377.
- E. D. Upon failure of the owner to be awarded immediate, expense-free possession of the equine pursuant to subsection C of this section, or upon failure of the owner to reclaim the equine pursuant to subsection D of this section, the department shall either sell the equine at public auction or, if the equine's condition makes its sale impractical, dispose of the equine in the most humane manner possible. The department shall deposit, pursuant to sections 35-146 and 35-147, the proceeds of the sale in the livestock custody fund established by section 3-1377 for distribution in the following priority:
- 1. The department shall be reimbursed for auction, handling, feeding and caring expenses.
- 2. Any monies derived from the sale in excess of the expenses to be paid pursuant to paragraph 1 shall be paid to the owner of the equine. After thirty days if the owner has not claimed the money, this money shall revert to the livestock custody fund established by section 3-1377.
- f. E. The director may contract with any person or group to handle, feed and care for any equine taken into custody pursuant to this section. The state shall not be liable for injury or death of any person or equine or damage to property caused by the performance of the contract.
- G. F. Notwithstanding any provision of this article to the contrary, the county attorney of the county in which the equine was seized may, at any time prior to the expiration of fifteen days after the seizure of the equine, take charge of and keep the equine at the expense of the county when he deems THE COUNTY ATTORNEY CONSIDERS it to be of evidentiary value in any criminal prosecution relating to the condition of the equine.
- H. G. In addition to violating section 13-2910, a person who subjects an equine to neglect or cruel treatment is subject to a civil penalty of not more than seven hundred fifty dollars for each violation. All civil

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penalties assessed pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund.

- I. H. The county attorney of the county, or the city attorney of the city, in which the livestock is seized may represent the livestock officer and the interests of this state in proceedings under this section.
- J. I. Upon receipt the department shall deposit, pursuant to sections 35-146 and 35-147, all monies, except civil penalties, collected pursuant to this section or received as a money donation from any public or private group, society, association or individual in the livestock custody fund established by section 3-1377. The monies in the fund shall be used to reimburse the department for expenses incurred in the handling, feeding, care and auctioning of equines seized pursuant to this section.

Sec. 33. Repeal

Sections 3-1743 through 3-1748, Arizona Revised Statutes, are repealed. Sec. 34. Section 3-2695, Arizona Revised Statutes, is amended to read: 3-2695. Collecting dead stock by tallow and rendering companies

- A. Any person, tallow company or rendering plant removing dead stock to its place of business shall make a report on a form provided by the department and pursuant to such rules as the director may prescribe to prevent the use of such THESE animals or the products thereof OF THESE ANIMALS for human food purposes. Upon ON this report the driver or person in charge of the truck working out of the plant, or the person receiving the call to collect such THE dead stock, shall show the following information and such ANY other information as the director may prescribe by rule:
 - 1. Date of removal.
- 2. Name, address and telephone number, if any, of the person requesting removal of dead stock, and of the owner of the stock, if known.
 - 3. Location and description of dead stock.
 - 4. Name of the company receiving the dead stock.
 - 5. Name of the person making the report.
 - 6. Date of the report.
 - B. The original of the report shall be submitted to the department.
- C. No meat or meat food product processed or packed by any rendering plant or tallow company shall be traded or sold for human or animal consumption except meat from dead livestock processed for use as animal food under rules prescribed by the director and sterilized meat scrap or tankage which THAT may be used as animal feed supplement IN COMPLIANCE WITH FEDERAL REGULATIONS.
- D. Notwithstanding the provisions of title 36, chapter 8, article 1, prohibiting the use of meat from an animal which THAT has died other than by slaughter for animal food, any such meat may be used for animal food if processed as provided in subsection C.

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Sec. 35. Section 3-2905, Arizona Revised Statutes, is amended to read: 3-2905. <u>Inspections and certification of facilities</u>

- A. The department shall establish a schedule of periodic inspections of all licensed facilities to determine and verify compliance with this article and the rules adopted under this article. By applying for and obtaining a license under this article, the licensee is deemed to consent to such periodic inspections. In addition, the director or the director's authorized representative may enter private property at any reasonable time to inspect, obtain factual data and otherwise ascertain compliance with or violations of this article. Inspections shall be on reasonable notice to the owner or manager of the facility unless reasonable grounds exist to believe that such notice would impair the enforcement of this article. If required by law, the director shall obtain a warrant for such unscheduled entry and inspection.
- B. On request, and with payment of the prescribed fee, the department shall physically inspect an aquatic animal facility for infectious diseases and causative agents. The inspector shall be a pathologist or a fish health inspector certified by the American fisheries society or a successor organization APPROVED BY THE DIRECTOR. If the inspector determines that the facility is free of restrictive infectious diseases and causative agents, the inspector shall issue to the facility a certificate to that effect within ten days after completing the inspection. The certificate is valid for one year from the date of the inspection.
- C. On request and without charge the department shall provide a certificate that an aquaculture facility has been inspected and certified free of restrictive diseases and causative agents within the preceding twelve months. Each shipment or lot shall be accompanied by a certificate identifying the shipment. This subsection does not apply to the transportation of live baitfish for personal use that complies with applicable rules of the game and fish commission.
 - Sec. 36. Section 3-2907, Arizona Revised Statutes, is amended to read: 3-2907. <u>Licenses; fee; exemption</u>
- A. A person may not engage in any of the following activities relating to aquaculture unless the person possesses a current valid license issued by the division:
- 1. Aquaculture facility activities, including selling, trading, displaying, purchasing, exporting, possessing, propagating and rearing live aquatic animals or plants.
- 2. Transporting live aquatic animals to persons who are licensed to resell, process or stock aquatic animals.
- 3. Processing facility activities, including cleaning, reshaping or packing fresh or frozen aquatic animals or plants for distribution or resale.
- 4. Operating a fee fishing facility which THAT permits the public to remove aquatic animals by any harvesting method from a privately controlled body of water as authorized by the direct or indirect payment of a fee.

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- B. This chapter does not apply to state or federal game and fish agencies.
- C. Each facility or transporter must be separately licensed with the division including payment of the prescribed fee.
- D. Each license issued under this section shall state the name and business address of the licensee, the name and address of the person designated as the licensee's agent to the division, the location of the premises for which it is issued, other than a transporter, and any other information deemed necessary by the director.
- E. A licensee may not transfer or convey the license to any other person or entity. The license is valid only for the named licensee and for the particular premises identified on the license. If there is a transfer or change in the ownership of a licensee or the premises identified on the license, or a change in the licensee's agent, the licensee shall notify the division within thirty days.
- F. A license is valid for one year from the date prescribed by the associate director. The license may be renewed by applying and paying the required renewal fee at any time within thirty days before the license expires. If a license expires, it may be renewed within ninety days after expiration by paying an additional prescribed fee increment. A license that has been expired for more than ninety days may not be renewed.
- G. An application for an original or renewal license under this section shall be submitted to the division together with the appropriate fee on a form furnished by the department. An applicant shall furnish any additional information that may be required.
- Within fifteen THIRTY days after receiving the COMPLETED application, the division shall either issue or deny the license. The division shall issue a license, in the name under which the applicant proposes to conduct business, to an applicant that has satisfied the licensing procedures and requirements of this article. If the applicant fails to meet the requirements for an original or renewal license under this article, the associate director shall notify the applicant by certified mail stating the reasons for the denial and advising the applicant of the right to request a hearing PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10. The applicant must request the hearing in writing within thirty days after the date the notice is mailed. The associate director shall schedule the hearing to be held within thirty days after the request is received. If the record made at the hearing discloses that the applicant meets the qualifications and other requirements of this chapter, the hearing officer shall enter an order to that effect and direct that the appropriate license be issued. If the applicant is found to be unqualified or otherwise fails to meet the requirements of this article, the hearing officer shall enter an order to that effect.

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- I. The application for an original or renewal license shall be accompanied by a license fee set by the director according to the cost of administering this article, but not less than one hundred dollars.
- J. A person who sells aquatic products at retail is exempt from the requirements of this section unless the person engages in any of the activities required to be licensed under subsection A.

Sec. 37. Section 3-3110, Arizona Revised Statutes, is amended to read: 3-3110. <u>Citations</u>

- A. If the assistant director, after an inspection or investigation, determines that there is reasonable cause to believe that a violation exists the THE ASSISTANT DIRECTOR shall with reasonable promptness recommend to the director that a citation be issued to the employer. If the director issues a citation it shall be in writing and shall contain the following:
- 1. A particular description of the nature of the violation, including a reference to the provision of this article, or of the standard or rule alleged to have been violated.
 - 2. A reasonable time to abate the violation.
- 3. A notice that the employer may request a hearing pursuant to section 3-3116 if he THE EMPLOYER is aggrieved by the citation.
- B. A certified mail delivery receipt or a signed verification of delivery in person is prima facie evidence of the receipt of a citation.
- C. Each citation or copy of a citation issued under this section shall be prominently posted at or near each place a violation referred to in the citation existed.
- D. No citation may be issued after the expiration of a period of six months from the date of the inspection which THAT produced evidence of the violation. If in the course of an investigation the department identifies any additional alleged violator, the department may investigate the additional alleged violator. No citation may be issued after the expiration of six months from the date the additional alleged violator is identified by the department.

Sec. 38. Section 3-3112, Arizona Revised Statutes, is amended to read: 3-3112. <u>Enforcement procedure</u>

- A. If the director, after an inspection or investigation, issues a citation pursuant to section 3-3110, the director shall notify the employer by mail, within a reasonable time after termination of the inspection or investigation, of any penalty proposed to be assessed pursuant to section 3-3113 and that the employer has thirty days within which to request a hearing pursuant to title 41, chapter 6, article 10 if the employer wishes to appeal the citation or proposed assessment of penalty.
- B. The period permitted for correction of a violation does not begin to run until the entry of a final order in the case of any review proceedings pursuant to this section initiated by the employer in good faith and not solely for delay or avoidance of penalties. If the director has reason to believe that an employer has failed to correct a violation for which a

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 citation has been issued within the period permitted, the director shall notify the employer by mail of such failure, of the penalty proposed to be assessed pursuant to section 3-3113 and that the employer has thirty days within which to request a hearing pursuant to title 41, chapter 6, article 10 if the employer wishes to appeal the notification or proposed assessment of penalty.

- C. An affected employee or employee representative may request a hearing to appeal the period allowed an employer to abate a particular violation pursuant to section 3-3116 if the employee or employee representative requests the hearing within the abatement period allowed in the citation or within thirty days from the date of receipt of the citation, whichever is shorter.
- D. On a showing by an employer of a good faith effort to comply with the abatement requirements of a citation, and that abatement has not been completed because of factors beyond the reasonable control of the employer, the department or its authorized designee, after an opportunity for a hearing as provided in section 3-3116, shall issue an order affirming or modifying the abatement requirements in the citation. The department shall provide affected employees or representatives of affected employees with an opportunity to participate as parties to hearings under this subsection.

Sec. 39. Section 3-3114, Arizona Revised Statutes, is amended to read:
3-3114. Additional penalty for wilful or repeated violation
causing employee permanent disability or death
covered by workers' compensation; payment to
employee; enforcement

- A. In addition to penalties prescribed by section 3-3113, the director shall assess a penalty of twenty-five thousand dollars against an employer who is assessed a penalty under section 3-3113, subsection A for each employee injury resulting in permanent disability or death if the director finds all of the following:
- 1. The employee injury resulting in permanent disability or death was caused by the violation for which the employer is assessed a penalty under section 3-3113, subsection A.
- 2. Compensation benefits are paid to the injured employee, or in the event of death, his THE EMPLOYEE'S dependents, under title 23, chapter 6.
- 3. The violation for which the employer is assessed a penalty under section 3-3113, subsection A did not result from the injured or deceased employee's disobedience to specific instructions given to the employee regarding the job condition causing his THE injury or death or relating to the safety standards applicable to that job condition.
- B. Each additional penalty assessed under this section shall be paid to the injured employee, or in the event of death, his THE EMPLOYEE'S dependents, in addition to the benefits paid under title 23, chapter 6.
- C. If PURSUANT TO TITLE 41, CHAPTER 6, ARTICLE 10, an employer requests MAY REQUEST a hearing on an additional penalty assessed under this

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section, the director shall refer the matter to a hearing officer assigned to the office. An additional penalty under this section that becomes final operates as a judgment against the employer and may be enforced by either the director or the injured employee, or in the case of death, his THE EMPLOYEE'S dependents, and all lawful remedies for the collection of judgments, including provisional remedies, are available. This section does not create any right of action or recovery against the employer's workers' compensation insurance carrier, and the additional penalty provided by this section is not a compensation benefit under title 23, chapter 6 and is not subject to the payment of attorney fees.

Sec. 40. Repeal

Section 3-3116, Arizona Revised Statutes, is repealed.

Sec. 41. Section 36-897.01, Arizona Revised Statutes, is amended to read:

36-897.01. Certification; application; fees; rules; fingerprinting

- A. A child care group home shall be certified by the department.
- 8. An application for certification OR RECERTIFICATION shall be made on a form prescribed by the department and shall contain all information required by the department.
- B. IF A CHILD CARE GROUP HOME IS WITHIN ONE-FOURTH MILE OF AGRICULTURE LAND, THE APPLICATION SHALL INCLUDE THE NAMES AND ADDRESSES OF THE OWNERS AND LESSEES OF ANY AGRICULTURAL LAND WITHIN ONE-FOURTH MILE OF THE FACILITY. WITHIN TEN DAYS OF RECEIPT OF AN APPLICATION FOR CERTIFICATION OR RECERTIFICATION, THE DEPARTMENT SHALL NOTIFY THE OWNERS AND LESSEES OF AGRICULTURAL LAND AS LISTED ON THE APPLICATION. THE DEPARTMENT SHALL DENY ANY CERTIFICATION OR RECERTIFICATION THAT AFFECTS AGRICULTURAL LAND REGULATED PURSUANT TO SECTION 3-365, EXCEPT THAT THE OWNER OF THE AGRICULTURAL LAND MAY AGREE TO COMPLY WITH THE BUFFER ZONE REQUIREMENTS OF SECTION 3-365. IF THE OWNER AGREES IN WRITING TO COMPLY WITH THE BUFFER ZONE REQUIREMENTS AND RECORDS THE AGREEMENT IN THE OFFICE OF THE COUNTY RECORDER AS A RESTRICTIVE COVENANT RUNNING WITH THE TITLE TO THE LAND. THE DEPARTMENT MAY CERTIFY OR RECERTIFY THE CHILD CARE GROUP HOME TO BE LOCATED WITHIN THE AFFECTED BUFFER THE AGREEMENT MAY INCLUDE ANY STIPULATIONS REGARDING THE CHILD CARE GROUP HOME, INCLUDING CONDITIONS FOR FUTURE EXPANSION OF THE FACILITY AND CHANGES IN THE OPERATIONAL STATUS OF THE FACILITY THAT WILL RESULT IN A BREACH OF THE AGREEMENT. THIS SUBSECTION APPLIES TO THE RENEWAL OF A CERTIFICATION FOR A CHILD CARE GROUP HOME LOCATED IN THE SAME LOCATION IF THE CHILD CARE GROUP HOME CERTIFICATION WAS NOT PREVIOUSLY ISSUED UNDER THIS SUBSECTION.
- C. An application shall be accompanied by a nonrefundable application fee of thirty dollars.
- D. The department shall issue a certificate if the department determines that the applicant and the applicant's child care group home are in substantial compliance with the requirements of this article and

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department rules and the facility agrees to carry out a plan acceptable to the director to eliminate any deficiencies.

- E. A certificate is valid for three years and may be renewed for successive three-year periods bу submitting an application recertification as prescribed by the department and submitting nonrefundable renewal fee of thirty dollars. An applicant for certification renewal who fails to submit the application forty-five days before the expiration of the certificate is subject to a twenty-five dollar late filing Late filing fees collected pursuant to this subsection shall be deposited, pursuant to sections 35-146 and 35-147, in the state general fund.
- F. In order to ensure that the equipment and services of a child care group home and the good character of an applicant are conducive to the welfare of children, the department by rule shall establish the criteria for granting, denying, suspending and revoking a certificate.
- G. The director shall adopt rules and prescribe forms as may be necessary for the proper administration and enforcement of this article.
- H. The certificate shall be conspicuously posted in the child care group home for viewing by parents and the public.
- I. Current department inspection reports shall be kept at the child care group home and shall be made available to parents on request.
- J. A certificate is not transferable and is valid only for the location occupied at the time it is issued.
- K. An applicant for a child care group home certificate shall submit the notarized form required pursuant to section 36-897.03, subsection B with the application and shall have a valid fingerprint clearance card issued pursuant to title 41, chapter 12, article 3.1. Certification of the home and registration of the applicant are conditioned on receipt of the notarized form and possession of a valid fingerprint clearance card by the applicant.
- L. The department of health services shall notify the department of public safety if the department of health services receives credible evidence that a person who possesses a valid fingerprint clearance card either:
- 1. Is arrested for or charged with an offense listed in section 41-1758.03, subsection B.
- 2. Falsified information on the form required by subsection K of this section.

Sec. 42. Retroactivity

Sections 27 and 31 of this act are effective retroactively to from and after June 30, 2004.

APPROVED BY THE GOVERNOR JUNE 1, 2004.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 1, 2004.

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HOUSE FINAL PASSAGE as per Joint Conference	SENATE FINAL PASSAGE as per Joint Conference
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